

## **Organizational Efficiency: The Role of Implementation of Total Quality Management, Work Motivation and Employee Performance**

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### **Abstract**

The purpose of this study is to provide recommendations for companies to improve the performance of their employees by analyzing the relationship between the variables in this study, namely Total Quality Management (TQM), Work Motivation and Employee Performance. This research was conducted at PT. Sarandi Karya Nugraha is a health equipment fabrication company. This research is quantitative research with a survey approach. The number of samples used in the study were 112 people who were permanent employees. The method for processing and analyzing data uses Partial Least Square (PLS). The results of the study show that there is a positive and significant direct effect of the TQM on employee performance. There is a positive and significant direct effect of work motivation on employee performance. There is a positive and significant direct effect of the TQM on work motivation. There is a positive and significant indirect effect of the TQM on employee performance. through work motivation. This study shows the effective role of the intervening variable, it is work motivation. Organization should increase employee motivation to improve their performance by fulfilling their intrinsic and extrinsic needs.

**Keywords:** Organizational Efficiency; Total Quality Management; Work Motivation.

### **INTRODUCTION**

Employee performance can be interpreted as the result of a person's efforts which are achieved through abilities and actions in certain situations. So, employee performance is the result of the relationship between effort, ability and task perception (Afandi, 2018). It can be said that one measure of the success of the human resources department program is the Employee Performance of its employees (Kareem & Hussein, 2019). So, a critical factor related to an organization's long-term success is the extent of its ability to measure how well its employees are performing, and use that information to determine whether implementation is meeting standards, and whether there is improvement over time.

Increasing employee performance can be done in several ways, one of which is by providing motivation to employees so that it effects work behavior which is indicated by increasing individual job satisfaction and the work productivity of the unit itself, which in the end can be affected the company's employee performance as a whole (Ajirowo, 2023). One organizational effort that can be implemented to improve employee quality and performance is the implementation of the role of Total Quality Management (TQM) or in Indonesia known as Integrated Quality Control (IQC). TQM is an approach to running a business to maximize an organization's competitiveness through continuous improvement of products, services, people, processes and the environment. Total Quality Management (TQM) is a new paradigm in running a business that seeks to maximize organizational competitiveness through a focus on customer satisfaction, involvement of all employees, and continuous improvement of the quality of products, human services, processes and the organizational environment. Technically, TQM is

management involved in the construction of goods and services. Quality management not only emphasizes quality, but also on how to achieve it (Nasution, 2005).

The success of a company in implementing TQM is closely related to employee work motivation and the motivation provided by the company itself. Where work motivation will determine the quality of human resources in the company. Work motivation plays a role in employee output in an organization, where the form of output determines employee performance. The magnitude of the effect of work motivation on a person's employee performance depends on the motivation that exists or is provided by the organization so that organizational goals are achieved optimally. Many companies use various methods to improve employee performance to be more effective and efficient, such as through education and training, providing compensation and motivation and creating a good work environment. Several studies that have been conducted place TQM and work motivation as independent variables to analyse their influence on employee performance (Heriyanto, et al 2024). While research by Yuniawati, et al. (2023) that found the influence of TQM on work motivation and employee performance. The aim of this research is to analyse factors that theoretically influence employee performance. In this study, the research questions that will be answered are, is there an influence of work motivation on employee performance, is there an influence of Total Quality Management (TQM) on employee performance, whether TQM influences work motivation, and whether TQM influences employee performance through work motivation. This research is intended to prove whether an increase in TQM and work motivation will improve employee performance.

## LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

### The Nature of Employee Performance

According to Robbins & Coulter (2012), employee performance is the final result of an activity, with the criteria being whether this result can be said to be efficient and effective. The dimensions of Employee Performance include; 1) Work productivity; ratio of results achieved (Output) to resources used (Input) 2) Work effectiveness: Level of achievement of work results and work efficiency: level of use of resources to achieve work results. Colquitt, Lepine and Wesson (2009) stated that employee performance is a number of behaviors and contributions of organizational members to the achievement of organizational goals. Employee performance is reflected in the work results shown by employees. Employee performance has 3 dimensions, namely: 1) Employee performance on tasks (task performance), 2) citizenship behavior (citizenship behavior) 3) counter-productive behavior (counterproductive behavior).

Bernardin & Russell (1993) state that employee performance is a record of the results obtained from specific job functions or certain activities over a certain period of time with employee performance indicators, namely: (1) quality, related to the quality or level of perfection of the process and results of work or activity implementation; (2) quantity, related to the number, units and cycles of activities carried out in a certain period; (3) timeliness, the extent to which a task or activity can be completed according to the time specified together with coordination with the results of other activities and maximizing the time available for other activities; (4) cost effectiveness, maximum use of organizational resources to achieve the highest results or to reduce losses from each unit of organizational resources; (5) supervision, is the level of employee awareness in carrying out their duties or responsibilities without requiring supervision from superiors or supervision, (6) Interpersonal Impact, is the level at which an employee is able to develop feelings of mutual respect, goodwill and cooperation between one employee and another. other employees.

Afandi (2018), stated that employee performance is the work result that can be achieved by a person or group of people in a company in accordance with their respective authority and

responsibilities in an effort to achieve organizational goals illegally, does not violate the law and does not conflict with morals and ethics. The indicators of employee performance itself are: quality of results, quantity of results, efficiency in carrying out tasks, work discipline, initiative and creativity. Furthermore, Mathis & Jackson (2012) stated that employee performance is what an employee does which effects how much they contribute to the organization. According to him, there are 5 indicators of employee performance, namely: Quantity, Quality, Punctuality, Work Attendance and Ability to Collaborate.

Falah and Wahyono (2019) say that employee performance is the result or level of success of a person's work in carrying out tasks in accordance with targets or targets that have been agreed upon in advance within a certain period. According to him, employee performance is based on indicators: quality of results, quantity of results, timeliness, attendance, ability to collaborate. Employee performance is the result of an employee's work in the form of products or services based on quality, quantity and time for completing work (Chairuddin, et al., 2014). The employee performance indicators are absenteeism, availability of training, employee satisfaction, employee loyalty, internal promotion opportunities, concern for the agency's vision and mission, availability of skills and working hours. From the theories above, it can be synthesized that employee performance is the result of work or the final result achieved by someone from an activity which effects how much they contribute to the organization over a certain period of time so that organizational goals can be achieved. With indicators: quantity, quality, effectiveness, efficiency, creativity and contribution.

### **The Nature of Total Quality Management (TQM)**

According to Sallis (2008) TQM is a philosophy of continuous improvement, which can provide a set of practical tools for every institution to meet the needs, desires and expectations of its customers, now and for the future. The dimensions of TQM are: 1) Commitment to continuous improvement to seek better results in order to meet customer (client) needs, by adhering to the principle of Kaizen (improvement little by little) 2) Cultural Change (Kultur): namely attitudes towards the moral message of TQM, supportive work environment (leadership, procedures, etc.) 3) Methods and Techniques (practical tools): brainstorming, field analysis, reinforcement diagrams, etc. Ziad (2014) state that TQM can be considered as a framework that is convenient and used in and by organizations to ensure systematic and permanent optimization of added value to maximize the realization of its objectives. The 5 dimensions of TQM are: Commitment of top management, Employee involvement & teamwork, Training and education for quality, Strategic planning and Focus on customer satisfaction.

TQM is a concept that attempts to implement a world-class quality management system, for this it requires major changes in the culture and value system of an organization (Hensler & Brunell, 2003). There are four indicators in TQM, namely: Customer satisfaction, respect for everyone, management based on facts, continuous improvement. Maddeppungeng et al. (2016) proposed that TQM is a form of meeting customers, these companies are also required to have a competitive advantage both in terms of price and quality with the following TQM indicators: focus on customers, continuous system improvement, education and training, teamwork, obsession with quality, employee involvement, Scientific approach, leadership

Furthermore, Artiningrum (2017) state that TQM is a management strategy that tries to integrate all organizational functions which involves all managers and employees to work together to improve products, services, people and the environment so that they can optimize employee performance. TQM indicators: customer focus, education and training, employee involvement and empowerment and continuous improvement. From these theories it can be synthesized that TQM is a framework that is easy to use by organizations which aims to obtain and maintain high quality output, focus on maintenance, continuous improvement and prevention of failure at all levels and functions of the company, in meeting needs, desires and

hopes of its customers, now and for the future. The TQM indicators are: management commitment, customer satisfaction, respect for everyone, management based on facts, continuous improvement, employee education and training and employee involvement.

### **The Nature of Work Motivation**

Gibson et al. (2012) state Motivation is a concept that describes the forces that work on or within a person to initiate and direct behavior. The concept is used to explain differences in the intensity of behavior, and also to indicate the direction of behavior. There are two factors that effect motivation, namely: the work context with a set of extrinsic conditions including salary, status and working conditions; work context with a set of intrinsic conditions, these conditions include feelings of accomplishment, increased responsibility, and recognition. Devadass (2011) revealed that work motivation is a phenomenon related to people in the work context, which is described as a set of internal and external forces that initiate work-related behavior, and determine its form, direction, intensity and duration. The two determinants that effect it are: environmental conditions (e.g., the organization's reward system, the nature of the work performed) and the forces inherent in the person (e.g., individual needs and motivation).

Motivation is a motive that is associated with a person's desire to do or not do something at work. In general, motivation is divided into intrinsic and extrinsic. 1) Intrinsic motivation is a type of motivation that is related to the fulfillment of personal feelings, comfort, interest or pleasure. 2) Extrinsic motivation occurs when someone is triggered externally to perform an activity, exploration and challenge with the aim of getting external rewards (Almintisir, Akeel & Subramaniam, 2013). Robbins & Judges (2013) say that motivation is a process that explains the intensity, direction and persistence of an individual to achieve their goals. There are two factors that determine a person's motivation in doing their work, namely: Intrinsic factors (achievement, achievement, recognition, work improvement, responsibility); Extrinsic factors (administration and company policies, supervision, working conditions, and relationships between employees).

Wibowo (2011), motivation is a psychological process that generates and directs behavior towards achieving goals or goal-directed behavior). The dimensions of work motivation are: Intrinsic (achievement, prioritizing achievement in what one does, recognition, work is measured by how far a person can recognize or recognize other people in connection with carrying out their duties, the work itself, the real conditions of the work accompanied by all the tasks -duties, responsibilities, giving sufficient freedom and power to employees to carry out their work so that they feel ownership of the results, progress, supporting a transparent and fair promotion system). Extrinsic (company regulations, supporting justice, transparency, career development, authority and compensation, supervision, this aspect measures a person's work towards their superiors. Employees prefer to work with superiors who are guiding, controlling and friendly, working conditions, support in completing their tasks are a means and adequate infrastructure in accordance with the nature of the tasks to be completed, payment, gifts received from the company where the employee works, relationships with co-workers, harmonious and complementary relationships with co-workers, security, fulfilling the employee's sense of security at work).

Kuswati (2017) stated that motivation is a supporting factor in an organization, both government and private, especially in improving employee performance. The dimensions of motivation are: The principle of participation, the principle of communication, the principle of recognition, the principle of delegated authority, the principle of mutual attention. From the explanation above, it can be synthesized that work motivation is a concept that describes the forces that work on or within a person as a driving force that results in an employee being willing and willing to mobilize all of his abilities, expertise and skills, which are described as a collection of internal and external forces. which initiates work-related behavior that leads to goal achievement or goal-directed behavior. With dimensions and indicators of work motivation,

namely: Dimensions of Intrinsic Motivation with indicators: Achievement, prioritizing achievement in what one does, Desire to receive recognition, which is measured by how far a person can recognize or recognize other people in connection with carrying out their duties, Responsibility, freedom sufficient strength and strength for employees to carry out their work so that they feel ownership of the results, encouragement to achieve progress based on a transparent and fair promotion system. Dimensions of extrinsic motivation with indicators: supervision, this aspect measures a person's work towards his superiors. Employees prefer to work with superiors who have a guiding, controlling and friendly attitude, working conditions, support in completing tasks, namely adequate facilities and infrastructure in accordance with the nature of the tasks to be completed, payment, gifts received from the company where the employee works, relationships with colleagues. work, harmonious and complementary relationships with co-workers, security, fulfilling employees' sense of security at work, for example by providing insurance.

### **Conceptual Framework**

#### **Total Quality Management and Employee Performance**

Total Quality Management (TQM) is a framework that is easy to use by organizations that aims to obtain and maintain high quality output, focus on maintenance, continuous improvement and failure prevention at all levels and functions of the company, in meeting the needs, desires and the expectations of its customers, now and for the future. TQM Indicators: 1) Management Commitment 2) Customer Satisfaction 3) Respect for everyone 4) Management based on facts 5) Continuous improvement 6) Employee Education and Training 7) Employee Involvement. So that these indicators can support better employee performance. (Hensler & Brunell, 2003; Sallis, 2008). Employee performance is the work result or final result achieved by someone from an activity which effects how much they contribute to the organization over a certain period of time so that organizational goals can be achieved. With indicators: 1) Quantity 2) Quality 3) Effectiveness 4) Efficiency 5) Creativity 6) Contribution.

Total Quality Management is a system specifically designed for work implementation and becomes a reference for employees in achieving work goals. So that TQM becomes a strong framework in a company's work system. TQM is thought to be able to improve employee performance in management's commitment to continuous improvement so that the goals of increasing customer satisfaction and involving employee activity in company management can be fulfilled properly. With these factors, employees can work under good management and a conducive atmosphere so as to produce good employee performance. Based on this description, it is suspected that there is a positive effect of TQM on employee performance. In line with the research results of Zulkarnain, et al. (2019) that employee performance is effected by TQM as a whole (simultaneously) (Yazdani, 2022; Vihari, et al, 2022; Saffar & Obeidat, 2020).

#### **Work Motivation and Employee Performance**

Work motivation is a concept that describes the forces that work within a person as a driving force that results in an employee being willing and willing to mobilize all of his abilities, expertise and skills, which is described as a set of internal and external forces that initiate work-related behavior that leads to the achievement of goals or goal-directed behavior. With indicators of work motivation, namely; 1) intrinsic (achievement, desire for recognition, responsibility, drive for advancement) 2) extrinsic (company policy, supervision, working conditions, pay, relationships with coworkers, security). With these indicators, it is hoped that they will be able to support employee performance in a better direction (Robbins & Judges (2013). Employee performance is the work result achieved by someone from an activity which effects how much they contribute to the organization over a certain period of time so that organizational goals can

be achieved. With indicators: 1) quantity 2) quality 3) effectiveness 4) efficiency 5) creativity 6) contribution.

Employees who have high motivation will have the desire to gain recognition, have good responsibility, and have the drive to achieve progress. In other words, work motivation will encourage employees to work better and improve their work performance. It can be said, with motivation within employees, these employees will have optimal employee performance in carrying out their duties. Based on these assumptions, it is suspected that there is a positive effect of work motivation on employee performance. This is in line with the results of Kuswati, 2020 and Effiandi, et al 2024; Fahriana, C. & Sopiah, 2022) found that motivation has a strong and positive relationship with employee performance, so that the higher the level of motivation, the higher the employee performance.

### **Total Quality Management and Employee Performance through Work Motivation**

Total Quality Management (TQM) is a framework that is easy to use by organizations that aims to obtain and maintain high quality output, focus on maintenance, continuous improvement and failure prevention at all levels and functions of the company, in meeting the needs, desires and the expectations of its customers, now and for the future. TQM Indicators: 1) Management Commitment 2) Customer Satisfaction 3) Respect for everyone 4) Management based on facts 5) Continuous improvement 6) Employee Education and Training 7) Employee Involvement. Work motivation is a concept that describes the forces that work on or within a person as a driving force that results in an employee being willing and willing to mobilize all of his abilities, expertise and skills, which is described as a set of internal and external forces that initiate work-related behavior that leads to achievement. goals or goal-directed behavior. With indicators of work motivation, namely; 1) intrinsic (achievement, desire for recognition, responsibility, drive for advancement) 2) extrinsic (company policy, supervision, working conditions, pay, relationships with coworkers, security). Practice of TQM that is consistent and involves commitment from all elements of the organization will give rise to motivation, namely employee encouragement in the form of a desire to achieve achievements at work (Ajirowo, 2024; Suhardi, 2017).

Employee performance is the work result or final result achieved by someone from an activity which effects how much they contribute to the organization over a certain period of time so that organizational goals can be achieved. With indicators: 1) Quantity 2) Quality 3) Effectiveness 4) Efficiency 5) Creativity 6) Contribution. TQM has a lot of effect on the development of the company so that everything is done correctly and according to existing standards. So this can trigger good employee work motivation which will ultimately encourage employees to work better so that employee performance can be optimal. In line with the research results of Sugiyanti & Alriani (2013), TQM and motivation effect employee performance. Based on the conceptual framework and relevant research results above, this research model is described as follows:

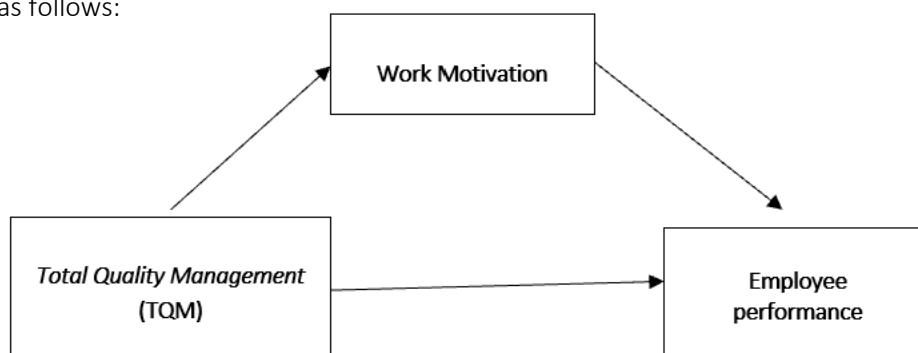


Figure 1. Research Model



## Research Hypothesis

Based on the description of the thoughts above, the following research hypothesis can be proposed:

H<sub>1</sub> = There is a positive effect of total quality management (TQM) on employee performance.

H<sub>2</sub> = There is a positive effect of work motivation on employee performance.

H<sub>3</sub> = There is a positive effect of total quality management (TQM) on work motivation

H<sub>4</sub> = There is a positive effect of total quality management (TQM) on employee performance mediated work motivation

## RESEARCH METHODS

This research is a quantitative research, with survey approach using questionnaires (Sekaran & Bougie, 2016; Sugiyono, 2018) with path analysis techniques. This study involved 112 respondents of production department employees of PT Sarandi Karya Nugraha, address in Sukabumi Regency, West Java taken as a research sample from the population using the Slivin formula with an error rate of 0.05. Respondents' ages ranged from 20 to 40 years, male with the majority of high school graduates and a few undergraduate graduates. The questionnaires were designed to assess indicators of employee performance, Total Quality Management (TQM) and work motivation using points of 1 to 5 Likert Scale.

## RESULT AND DISCUSSION

### The Effect of Total Quality Management (TQM) on Employee Performance

From the results of the path analysis of the positive effect of Total Quality Management (TQM) on Employee Performance, the coefficient  $\beta = 0.428$  is obtained, meaning that there is a positive effect of Total Quality Management (TQM) on Employee Performance. As Total Quality Management (TQM) increases, employee performance will improve. The research results show that consistent application of TQM, they are continuous improvement, concerning quality, reducing wasted raw materials (time, materials, excessive and unnecessary use of machines) and continuous performance evaluation will improve employee performance. Employees who are detected Early training requires training to improve their skills and within a certain period of time their performance will increase. TQM also requires high commitment from management and decision makers in the company to continue to be committed to quality, not only employees who are required to be quality and efficient but all elements in the organization. The research results of Sugiyanti & Martini, 2013; Hamsinah, et al, 2023 that show the positive effect of TQM variables on performance.

### The Effect of Work Motivation on Employee Performance

The results of the path analysis of the effect of work motivation on employee performance obtained a coefficient of  $\beta = 0.546$ , meaning that there is a positive effect of work motivation on employee performance. The more work motivation increases, the more employee performance will increase. Research Results by Gardjito, et al 2014; Falilah et al, 2019 shows that work motivation has a significant effect on employee performance. Motivation is a desire within a person that causes the person to act. Usually, people act for a reason to achieve a goal. Understanding motivation is very important because employee performance, reactions to compensation and other human resource issues are effect on motivation. Approaches to understanding motivation vary, as different theorists develop their own views and models. Motivation theory groups human needs into five categories that ascend in a certain order. Until more basic needs are met, a person will not try to fulfill higher needs. It can be said that work

motivation makes a significant contribution to employee performance. The higher the work motivation, the higher the employee performance and conversely the lower the work motivation, the lower the employee performance.

### **The Effect of Total Quality Management (TQM) on Work Motivation**

From the results of the path analysis of the positive effect of Total Quality Management (TQM) on work motivation, the coefficient  $\beta = 0.934$  is obtained, meaning that there is a positive effect of Total Quality Management (TQM) on work motivation. The more Total Quality Management (TQM) increases, the more work motivation will increase. Consistent implementation of TQM and prioritizing continuous quality improvement as demonstrated by management's attention to the development needs of employees will create motivation in the form of encouragement to work better over time. Reducing waste will significantly provide a positive contribution to company profits, which can be used to increase employee welfare. If this synergy is implemented it will certainly increase employee work motivation (Riaz, et al. 2023).

### **The Effect of Total Quality Management (TQM) on Employee Performance through Work Motivation**

The results of the path analysis calculation of the effect of TQM on employee performance through work motivation show a coefficient of  $\beta = 0.509$ , meaning that there is a positive effect of Total Quality Management (TQM) on employee performance through work motivation. The more work motivation increases, the more employee performance will increase. Research findings also show that the indirect effect of TQM on employee performance through work motivation is greater than the direct effect of TQM on employee performance. This shows that work motivation plays an effective role as an intervening variable between TQM and employee performance. Organization can improve employee performance by first increasing their work motivation. Research results show that consistent implementation of TQM involving management commitment can predictably increase employee work motivation, which will then increase their performance in order to achieve organizational goals (Khoridah & Nur, 2022).

### **CONCLUSION**

The research results show that there is a positive and significant effect of Total Quality Management (TQM) on employee performance, it's mean, companies can improve employee performance by increasing the implementation of TQM. The research results also show there is a positive and significant effect of work motivation on employee performance, it's mean, strengthening work motivation will improve employee performance. Then, the research results also show there is an effect of TQM on work motivation, it's mean, strengthening work motivation will improve employee performance. Next, the research results show there is an effect of TQM on employee performance through work motivation, it's mean, improving TQM through strengthening work motivation will improve employee performance.

This study only examined three variables: employee performance, work motivation, and total quality management. It was conducted using a population and sample of workers in the manufacturing department of PT. Sarandi Karya Nugraha West Java, Indonesia. We advise that future research employ a national sample of manufacturing firms that have integrated Total Quality Management (TQM) into their operations and examine other variables that may affect worker performance. Additionally, we advise the manufacturing company's top management to improve employee performance by strengthening job motivation and providing possibilities for skill development through frequent training scheduling and evaluation. In order to guarantee ongoing development, we further advise bolstering TQM by establishing a specific committee to oversee its implementation. Employees will believe that continuous improvement will be



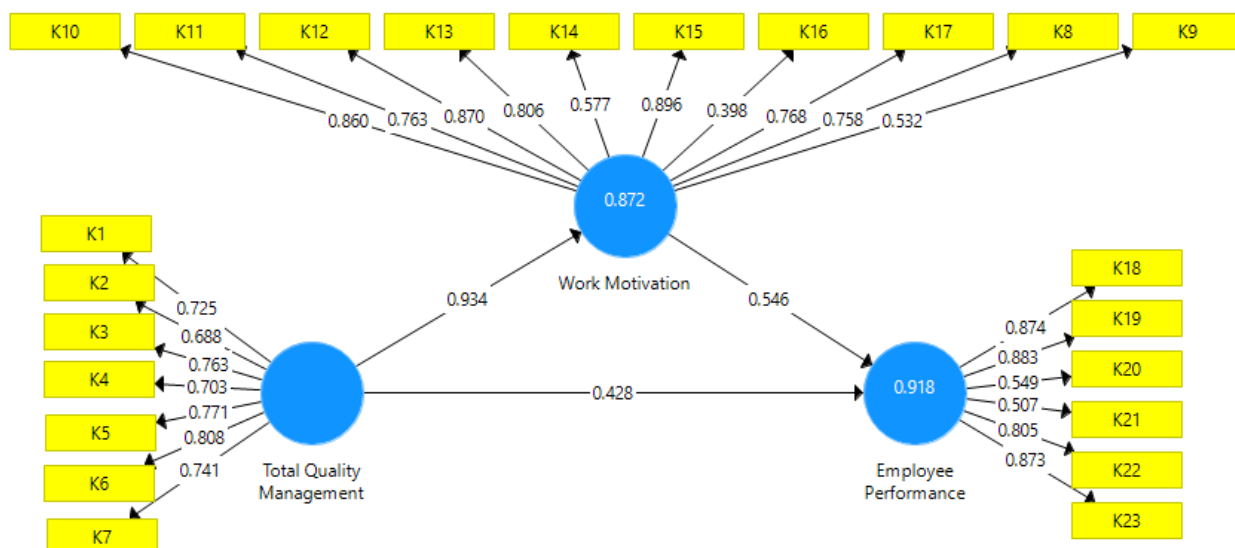
successful if it is implemented collaboratively if there is a strong commitment to TQM from all aspects of the business. This will build a strong organizational culture and serve as an efficient means of achieving organizational goal.

Table 1. Model Fit

|                             |          |
|-----------------------------|----------|
| <b>Q<sup>2</sup></b>        | 1297.277 |
| <b>R<sup>2</sup></b>        |          |
| <b>Employee Performance</b> | 0.918    |
| <b>Work Motivatioan</b>     | 0,872    |
| <b>NFI</b>                  | 0,555    |

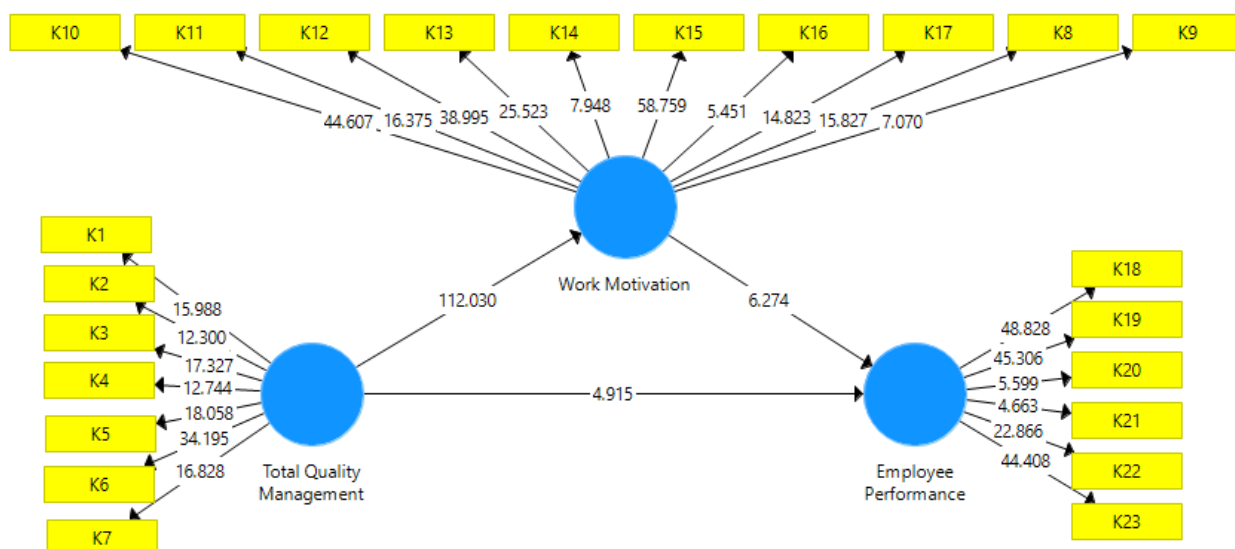
Table 2. SLF value and Reliability

| Laten Variable | Indicator                       | Coefficients/S LF ( $\lambda$ ) | Reliability   |               | Conclusion       |
|----------------|---------------------------------|---------------------------------|---------------|---------------|------------------|
|                |                                 |                                 | CR $\geq$ 0.7 | VE $\geq$ 0.5 |                  |
|                | <b>Performance</b>              |                                 | 0.890         | 0.586         | Good reliability |
|                | Quantity                        | 0,874                           |               |               |                  |
|                | Quality                         | 0,883                           |               |               |                  |
|                | Effectiveness                   | 0,549                           |               |               |                  |
|                | Efficiency                      | 0,507                           |               |               |                  |
|                | Creativity                      | 0,805                           |               |               |                  |
|                | <b>Work Motivation</b>          |                                 | 0.920         | 0.547         | Good reliability |
|                | Achievement                     | 0,758                           |               |               |                  |
|                | Desire for recognition          | 0,532                           |               |               |                  |
|                | Responsibility                  | 0,860                           |               |               |                  |
|                | Encouragement for progress      | 0,763                           |               |               |                  |
|                | Company regulations             | 0,870                           |               |               |                  |
|                | Supervision                     | 0,806                           |               |               |                  |
|                | Working conditions              | 0,577                           |               |               |                  |
|                | Payment                         | 0,896                           |               |               |                  |
|                | Relationships with coworkers    | 0,398                           |               |               |                  |
|                | Facility                        | 0,768                           |               |               |                  |
|                | <b>Total Quality Management</b> |                                 | 0.896         | 0.553         | Good reliability |
|                | Management Commitment           | 0,725                           |               |               |                  |
|                | Customer satisfaction           | 0,688                           |               |               |                  |
|                | Respect for everyone            | 0,763                           |               |               |                  |
|                | Management based on facts       | 0,703                           |               |               |                  |
|                | Continuous improvement          | 0,771                           |               |               |                  |
|                | Employee Education and Training | 0,808                           |               |               |                  |
|                | Employee Engagement             | 0,741                           |               |               |                  |



Source: Processed Data 2023

Figure 2. Outer Model



Source: Processed Data 2023

Figure 3. Inner Model

Table 3. Hypotheses Test Result

| Alternative Hypothesis | Path                                     | t.count<br>(≥1,96) | Hypothesis Conclusion |                         |          |
|------------------------|--|--------------------|-----------------------|-------------------------|----------|
|                        |  |                    | Direct                | Indirect<br>(mediating) |          |
| H1                     | TQM→Employee Performance                 | 4.935              | 0.428                 |                         | Accepted |
| H2                     | Work Motivation →Employee Performance    | 102.302            | 0.934                 |                         | Accepted |
| H3                     | TQM→Work Motivation                      | 6.331              | 0.546                 |                         | Accepted |
| H4                     | TQM→Work Motivation→Employee Performance |                    |                       | 0,509                   | Accepted |

Source: Processed Data 2023

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